

PRESENTATION OF KINNEVIK'S

Q2 2023

11 JULY 2023



Q2 2023

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Today's Presenters

Georgi Ganev
Chief Executive Officer

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Chief Financial Officer

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KEY EVENTS OF THE QUARTER

ACCRETING OWNERSHIP IN OUR WINNERS

**PROGRESS ON OUR 2030
PORTFOLIO CLIMATE TARGET**


WE CONTINUED TO EXECUTE ON OUR 2023 PRIORITIES IN Q2, ACCRETING OWNERSHIP IN SPRING HEALTH AND TRAVELPERK

Key Events of The Quarter

Q2 2023



NAV of SEK 54.0bn or 192 per share, down 3% in Q2 2023 and 12% over the last twelve months. **Unlisted investments** up SEK 2.5bn in the quarter through SEK 2.1bn in net investments and a **minor write-up** of underlying valuations

Spring Health 

Continuing our accretion of ownership in **Spring Health** through a **USD 100m** purchase of existing shares, making the company our largest aggregate investment since we began our transformation to growth in 2018

TravelPerk 

Invested **USD 19m** in **TravelPerk**. Since our first investment in the travel management platform in 2018, we have quadrupled our invested capital and the company has grown revenues by >30x

babylon 

Babylon Health announced it has agreed to be **taken private** through a transaction supported by the company's main creditor. Electing not to participate in the transaction, we have **written off our investment in full**

CHARM 

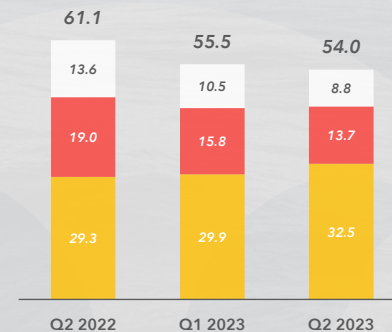
Added **Charm Industrial**, a San Francisco-based **carbon dioxide removal company**, to our portfolio through a **USD 10m** investment



We exceeded our portfolio climate target both year-over-year and on an average annual basis in 2022, which we disclosed in our Climate Progress Report released in June

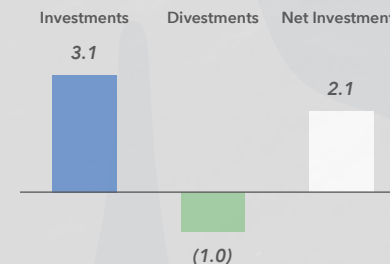
Net Asset Value

● Public, ● Private, ● Net Cash / (Debt), SEKbn



Investment Activity

H1 2023, SEKbn



WE DEPLOYED SEK 1.9BN IN FOLLOW-ONS IN Q2 EXECUTING ON OUR MAIN 2023 PRIORITY TO INCREASE THE IMPACT OF OUR HIGH-CONVICTION BUSINESSES

Increasing Our Exposure To Portfolio Winners

Supporting & Maximizing Impact of High-Conviction Businesses

- Main strategic priority in 2023 is **to use the market conditions to double-down in our high-conviction businesses** by increasing our committed capital and accreting ownership
- In the quarter we **deployed SEK 1.7bn** into portfolio winners such as **Spring Health, TravelPerk, Instabee, Recursion** and **HungryPanda**
- **Spring Health** is now our **largest aggregate investment** since the start of the current iteration of Kinnevik
 - In Q2, we invested an additional **USD 100m** on top of the 50m invested in Q1 this year, **accreting ownership from 5 to 12%**
 - The company grew revenues by 270% in 2022, and is **fully funded** to reach cash flow profitability
- We also deployed meaningful capital into **TravelPerk** and **Instabee**, businesses from our early 2018 vintage
 - **TravelPerk** breached **USD 100m in run-rate revenues last year**
 - **Instabee** is currently focusing on **merger integration** and **unleashing EBITDA profitability**, and is **growing revenues across its entire footprint** by gaining market share in a contracting e-commerce market

Repeated Investment Through the Journey

Invested Capital, Fair Value & Growth



Our permanent capital structure and ability to multiply our investment in companies as they grow and prove their business is one of our key competitive advantages as an investor

WITH OUR RECENT SUCCESSES WE EXPECT OUR 2023 INVESTMENTS TO BE MORE SKEWED TOWARDS FOLLOW-ONS IN THE WINNERS OF OUR PORTFOLIO

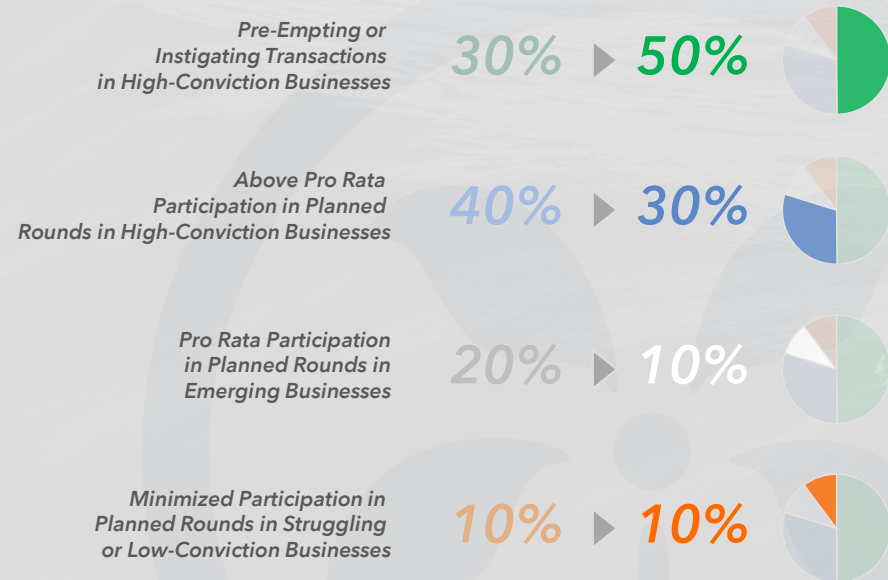
Capital Reallocation

2023 Expectations

- Significant strides in the quarter, including the investment into Spring Health, mean **we now envisage two-thirds of capital deployment to be dedicated to follow-on investments** in the existing portfolio (*from the previous expectation of a 50/50 split* between new investments and follow-on investments)
- Of our currently forecasted follow-on investments, **around 80% of capital is expected to be deployed into high-conviction businesses** where we are either instigating transactions or willingly accreting ownership (as in Spring Health)
- Assessments of **investee runways remain largely unchanged**, with key developments being extensions of runways through funding rounds in the quarter
- Around **4% of our private investees** by value have a **runway not lasting longer than to end of 2023** (from 6% in Q1 2023)

Type of Follow-On Investment

Q1 Forecast vs Current Forecast (Approximations)

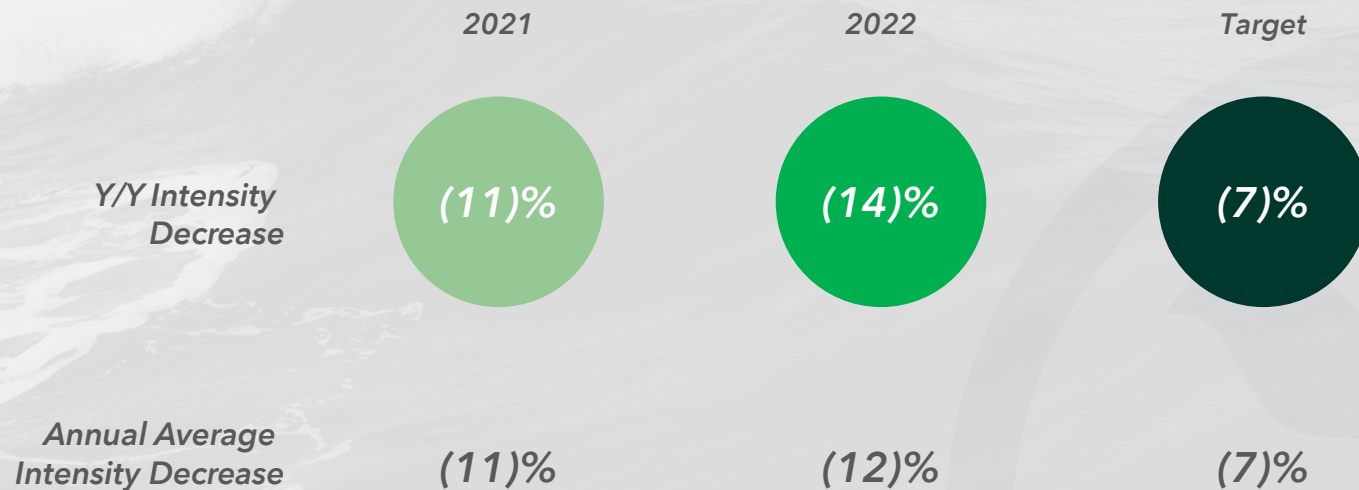


We remain focused on making the most of the current environment through maximizing the impact of our highest-conviction investments and capturing opportunities that arise during a period of more risk-averse sentiment

OUR PORTFOLIO COMPANIES DECREASED THEIR EMISSIONS INTENSITY BY 14 PERCENT YEAR-OVER-YEAR IN 2022

Tracking Ahead of Our 2030 Climate Target

Target Fulfilment, Fair Value Weighted



Our Climate Strategy aims to align our portfolio with a low-carbon future, to mitigate climate risk and to seize climate-related opportunities

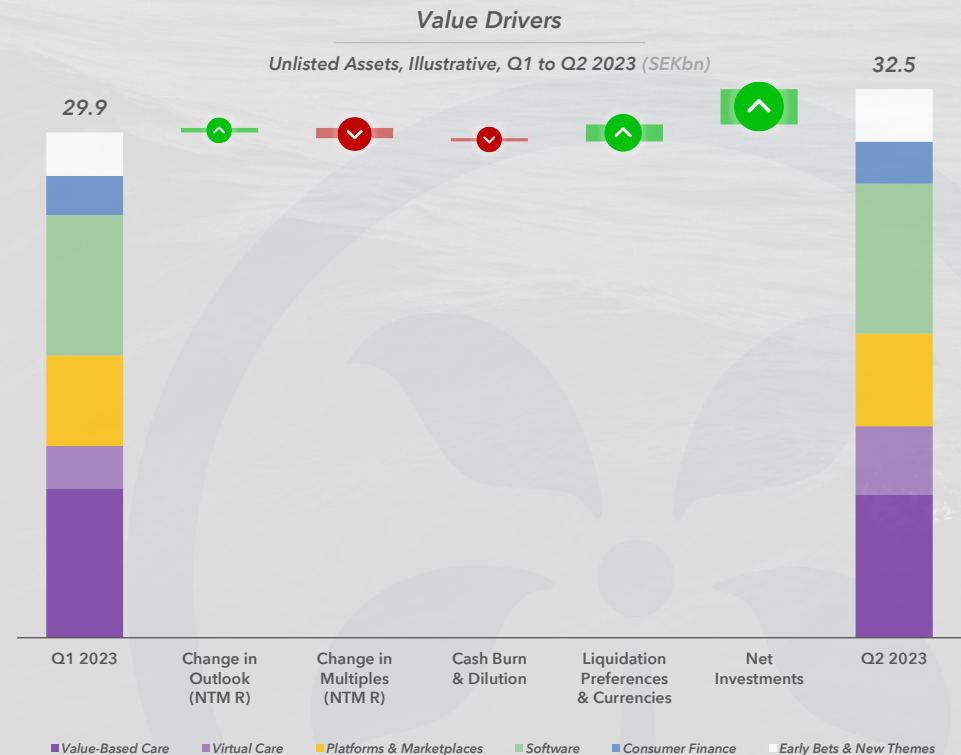
VALUATIONS & GROWTH

INVESTMENTS OF SEK 2.1BN AND A SEK 0.5BN VALUE REASSESSMENT INCREASES THE VALUE OF OUR UNLISTED PORTFOLIO TO SEK 32.5BN

Q2 2023 Valuations

Drivers & Parameters

- Underlying valuation reassessment of our unlisted assets of (2)% translates into a **fair value write-up of SEK 0.5bn or +1%**
- 2023 growth outlook unchanged when factoring in portfolio rebalancing during Q2**, but VillageMD and Oda reforecasts bear a material negative impact in the quarter
- Multiple contraction of (3)%** in our unlisted portfolio, while the weighted average peer NTM multiple was unchanged
- Average premium to public benchmarks have come down by around 20 percentage points in 2023 to date**, while the private portfolio continues to outgrow these benchmarks by >3x
- Aggregate impact from **liquidation preferences** amounts to **SEK 2.8bn** at the end of Q2 - **down 150m** from the previous quarter
- Swedish krona depreciated against all key currencies, bearing a **SEK 1.3bn positive currency effect**



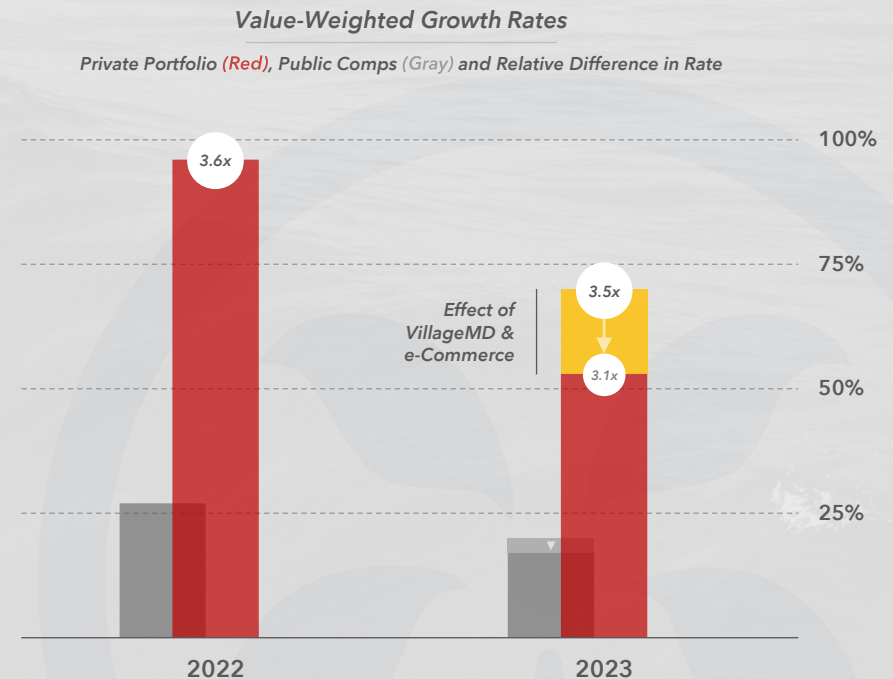
Overall, Q2 was another stabilizing quarter with a small write-up mainly driven by positive currency effects

OUR PRIVATE PORTFOLIO CONTINUES TO GROW MORE THAN THREE TIMES FASTER THAN ITS PUBLIC MARKET BENCHMARKS

Growth

2023 Expectations

- Average top-line growth in our private portfolio remains at a **>3x faster pace than public benchmarks** in 2023
- Growth is expected to **come down in 2023** relative to doubling year-on-year in 2021 and 2022, primarily due to -
 - **VillageMD's merger with Summit Health** being a step-change in maturity in our largest private investment
 - **Headwinds in e-commerce** in general, and in online grocery in particular (as outlined in the previous quarter)
 - Investees trading in growth for **accelerated profitability improvements** and longer runways
 - **Longer-tenure investees** have gone from early-stage start-ups to at-scale later-stage growth companies
- This in part **underpins our multiples** remaining flat on average in 2023 to date despite peer multiples expanding by around 10%
- **Rebalancing our portfolio** remains a vital tool - the average 2023 growth rate has increased by 10 percentage points through the year-to-date shift in portfolio balance alone
 - Investments in businesses that are effectively **pre-revenue** - such as Enveda, H2 Green Steel and Solugen - heighten the profile of the portfolio but are (naturally) not included in these figures

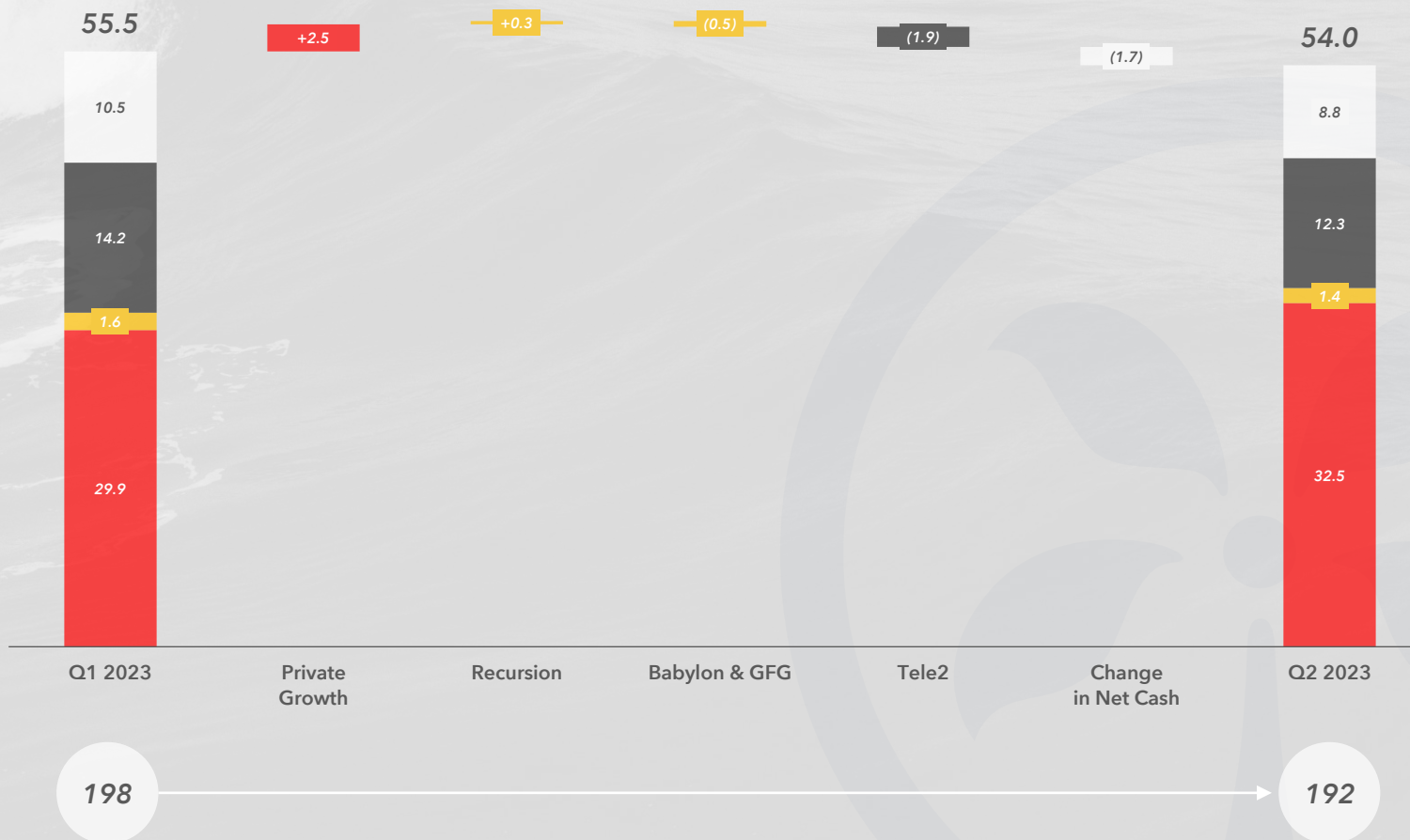


While valuations have been negatively impacted by downward changes in outlook on a rolling next twelve months' basis, the underlying actual growth of our private portfolio continues at a healthy level that outpaces peers materially

IN TOTAL, NET ASSET VALUE WAS DOWN 3% IN Q2 2023

Net Asset Value Development in Q2 2023

● Private Growth, ● Public Growth, ● Tele2, ● Net Cash / (Debt), SEKbn



TRACKING AGAINST OUR PRIORITIES

WE ARE TRACKING AGAINST OUR 2023 PRIORITIES AND EXPECTATIONS

OUR 2023

PRIORITIES

Continued *disciplined* capital allocation

Support and maximize the impact of our *highest-conviction* investments

Minimize capital and exposure to our *lowest-conviction* investments

Pursue *new investments* selectively, leveraging our financial strength and long-term perspective

Capture opportunities arising during a period of a risk-averse sentiment

OUR 2023

EXPECTATIONS

Maintain our momentum of *SEK 5bn* in annual investments

Investments split roughly *50/50* between existing and new companies

Our investees will need to *continuously adapt* to a dynamic and complex economic environment

Continued *crystallization of long-term winners* and investments that will be pruned and transitioned out

Ending the year within a more *stable outlook* for the venture and growth capital ecosystem



Q&A



WE INVEST FOR A REIMAGINED EVERYDAY